

GENERAL LAWS

OF THE

State of Vermont

RELATING TO

Collateral Inheritances and Taxable Transfers



PUBLISHED BY AUTHORITY.

Chapter 38—Public Statutes.

IN FORCE AUGUST 1, 1907.

CONCORD, N. H.
RUMFORD PRINTING COMPANY.

1907

HJ 5807
V5 AA
1907

By Transfer
AUG 28 1916

CHAPTER 38.

COLLATERAL INHERITANCES AND TAXABLE TRANSFERS.

- SECTION 821.—Definitions.
SECTIONS 822, 823.—Assessment of taxes.
SECTIONS 824, 825.—Foreign taxes deducted.
SECTION 826.—Bequests to maintain burial lots.
SECTIONS 827-830.—Taxes, how made payable.
SECTION 831.—Legacy, when made a charge upon property.
SECTIONS 832, 833.—Probate court proceedings.
SECTION 834.—Appeals.
SECTIONS 835, 836.—Proceedings in supreme court.
SECTION 837.—Costs.
SECTIONS 838-841.—Valuation by probate court.
SECTIONS 842-847.—Valuation by appraisers.
SECTIONS 848-852.—Valuation by agreement.
SECTIONS 853-856.—Valuation of life estate.
SECTION 857.—Valuation of remainder.
SECTION 858.—Legacy to an executor.

- SECTION 859.—Receipts upon payment of taxes.
 SECTION 860.—Method of refunding taxes.
 SECTIONS 861-866.—Time of payment of taxes.
 SECTIONS 867, 868.—Inventory of property.
 SECTION 869.—Interest on taxes.
 SECTIONS 870, 871.—Reports to commissioner of state taxes.
 SECTIONS 872, 873.—Estates not administered upon.
 SECTIONS 874, 875.—Certified copies of wills and inventories.
 SECTIONS 876, 877.—Transfer of stocks and bonds.
 SECTIONS 878-882.—Transfer of securities or assets.
 SECTIONS 883-885.—Reports by savings banks and trust companies.
 SECTIONS 886-888.—Equity proceedings.
 SECTION 889.—Bonds and recognizances.
 SECTIONS 890-897.—Proceedings in probate court.
 SECTION 898.—Reports by listers.
 SECTIONS 899-901.—Miscellaneous.

Definitions.

SEC. 821. "Legatee," "share," etc. The word "legatee," 1904, No. 30, § 78. when used in this chapter, shall extend to and include any devisee or distributee named in a will; the word "legacy," all devises and bequests; and the words "share" or "distributive share," all real or personal property or any interest therein passing under the laws of descent or the intestate laws of this state, or any other state or government; provided that such construction shall not be required, if the same would thereby be repugnant to the manifest intention of the general assembly.

Assessment of Taxes.

SEC. 822. Tax on inheritances. Every person other than 1904, No. 30, § 1. the father, mother, husband, wife, lineal descendant, adopted 1896, No. 46, §§ 1, 2. child, lineal descendant of an adopted child, the wife or widow 76 Vt. 88. of a son, the husband of the daughter of a decedent, or a city or town for cemetery purposes, and every charitable, educational or religious society or institution other than one created and existing under and by virtue of the laws of this state and having its principal office herein, that shall receive in trust or otherwise a legacy or distributive share consisting of or arising from property or an interest therein passing by will, the law of descent or the decree of a court in this state, from a deceased person who owned such property at the date of his decease, shall, except as otherwise provided in this chapter, pay to the state a tax of five per cent of the value in money of such legacy or distributive share.

SEC. 823. Tax on transfers. Every person, unless one of a 1904, No. 30, § 2. class exempted in the preceding section, who acquires title to real 1896, No. 46, §§ 1, 2. or personal estate or any interest therein by voluntary conveyance or gift made or intended to take effect in possession or enjoyment upon or after the death of the grantor or donor, shall pay to the state a tax of five per cent of the value in money of such real or personal estate, or the interest therein conveyed.

A M E N D E D
 No. 31 sec. 1, 1908
 See appendix.

A M E N D E D
 No. 5 Dec. 1, 1910
 See appendix.

Such tax shall be a first lien on the real or personal estate thus conveyed or given, until such tax is paid in full.

Foreign Taxes Deducted.

1904, No. 30, § 3.

SEC. 824. General provisions. If an inheritance, transfer, succession, legacy or a similar tax has been lawfully paid to another state or to a government other than the United States, for or on account of a legacy, distributive share or a part thereof decreed subsequent to December ninth, nineteen hundred and four, by a probate court of this state, to a legatee or heir liable to the tax imposed by section eight hundred and twenty-two, such legatee or heir shall be liable to pay to this state under the provisions of such section only such part of the tax therein imposed as will make the entire tax both within and without this state, based on such portion of a legacy or distributive share taxed in such other state or government, equal to five per cent of the total value thereof, to be determined as provided in this chapter.

R. 1906, § 739.
1904, No. 30, § 4.

SEC. 825. Official receipt required. No rebate from the full amount of the tax required by the third preceding section shall be allowed by the probate court under the provisions of the preceding section, unless an official receipt or other competent evidence, showing the amount so paid to such other state or government, the date of payment, the rate, the valuation of the property upon which such tax was computed and a brief description thereof, is presented to the probate court.

Bequests to Maintain Burial Lots.

1904, No. 30, § 5.

SEC. 826. Exempt. Towns, cities, villages, trustees, officials therein and official boards, corporations, associations and persons that receive a legacy in trust or otherwise, the use, income or principal sum of which is to be used for the sole purpose of purchasing, maintaining, caring for or beautifying a burial lot owned by the decedent, or wherein he or any of his kin shall be interred, or for the sole purpose of erecting, caring for or maintaining a monument or other structure thereon, shall be exempt from the payment of taxes imposed by this chapter.

Taxes, How Made Payable.

1904, No. 30, § 6.
1896, No. 46, § 5.

SEC. 827. Administrator, etc., to deduct. An administrator, executor or trustee having in charge or in trust a legacy or distributive share passing to a legatee or heir liable to a tax imposed by this chapter, shall, before paying or delivering the same to such legatee or heir, deduct the tax therefrom or collect it from such legatee or heir.

1904, No. 30, § 7.
1896, No. 46, § 7.

SEC. 828. Sale of legacy for tax. In case the tax cannot be deducted therefrom and the legatee or heir neglects or refuses to pay such tax, the probate court may, in the same manner as administrators and executors are licensed to sell real and personal estate for the payment of debts, license such administrator, executor or trustee to sell a part or all of a legacy or distributive

share belonging to a person liable to a tax imposed by this chapter, for the payment of such tax.

SEC. 829. Legacy delivered when tax is paid; lien. An 1904, No. 30, § 8. administrator, executor or trustee shall not deliver any specific legacy, property or the proceeds thereof to any legatee or heir liable to such tax, until such tax has been deducted or collected as aforesaid. Conveyances, mortgages, attachments, sales or assignments of such legacy, share, the proceeds thereof, or any interest therein, shall be subject to the taxes imposed by this chapter; and such taxes shall be a lien on such legacies, distributive shares and the proceeds thereof, until the same are fully paid.

SEC. 830. Liability for tax; collection; report. A person 1904, No. 30, § 9. having in charge or in trust as administrator, executor or trustee, a legacy or distributive share passing to a person in the manner mentioned in section eight hundred and twenty-two, shall be liable for the taxes imposed by this chapter, with interest as hereinafter provided, until the same are fully paid. The administrator, executor or trustee shall collect the tax due the state from a person to whom real estate passes in the manner mentioned in such section from the decedent of whose estate he is administrator, executor or trustee; but if such administrator, executor or trustee is unable to collect such tax before his final account is allowed, he shall make a full and detailed report to the commissioner of state taxes, showing the names of the persons liable to such unpaid tax and a description of the real estate on account of which such tax is due.

Legacy, When Made a Charge Upon Property.

SEC. 831. Tax to be deducted from legacy; lien; payment. 1904, No. 30, § 10.
1896, No. 46, § 6. When a legacy passing to a legatee liable to such tax is charged upon or payable out of any real or personal estate devised to any person, said person shall, before paying such legacy, deduct such tax therefrom and pay it to the administrator, executor or trustee of the estate of which such real and personal estate is a part. Such tax shall be a lien upon such real or personal estate, until the same is paid. Payment thereof may be enforced by the administrator, executor or trustee in the manner provided in the third preceding section.

Probate Court Proceedings.

SEC. 832. Final settlement of account of an administrator, etc. 1904, No. 30, § 11.
1896, No. 46, § 12. A final settlement of the account of an administrator, executor or trustee shall not be allowed by a probate court, unless such account shall show and said court shall find that the taxes imposed by the provisions of this chapter are paid, and that one of the triplicate receipts issued by the state treasurer therefor is filed in said probate court.

SEC. 833. Jurisdiction. The probate court having either 1904, No. 30, § 12.
1896, No. 46, § 10. principal or ancillary jurisdiction of the settlement of the estate of a decedent shall, except as otherwise provided in this chapter, hear and determine all questions relating to the taxes imposed

RECEIVED
NO. 56
APR 17 1910

by this chapter and the value of all legacies and distributive shares upon which such taxes are computed.

Appeals.

1904, No. 30, § 13.
1896, No. 46, § 10.

SEC. 834. Who may appeal. A legatee, heir or beneficiary affected by a decree of the probate court respecting the taxes imposed by this chapter, the administrator, executor or trustee of an estate of which a legacy or distributive share passing to a person liable to the taxes imposed is a part, and the commissioner of state taxes in behalf of the state, may appeal to the county court from such orders and decrees of said probate court.

Proceedings in Supreme Court.

1904, No. 30, § 14.

SEC. 835. Probate court to certify finding and decree. Whenever the legal construction of a part of this chapter is in dispute and the facts relating thereto have been determined by the probate court wherein the estate is being administered, the judge of such court shall, if no appeal is taken, upon the written application of the administrator, executor or trustee of such estate and the commissioner of state taxes, filed therein before the time for an appeal has expired, certify to the supreme court such part of its finding and decree as relates to such construction, together with the contentions of the parties relating thereto, which shall be filed with such application.

1904, No. 30, § 15.

SEC. 836. Certificate; hearing; judgment. Such certificate shall be placed on file in the office of the clerk of the county wherein such probate district is located, on or before twenty-five days from the date of such finding or decree; and thereupon the supreme court shall have jurisdiction of all questions of law presented thereby; and the same shall be heard and determined, as if the cause had been passed to said court upon the pro forma judgment of a county court to which such cause might have been appealed. The final decision and judgment therein shall be certified to the probate court in the same manner and with the same legal effect as provided in section two thousand nine hundred and eighty-eight.

Costs.

1904, No. 30, § 16.

SEC. 837. Orders. In proceedings therein, involving questions of taxation under the provisions of this chapter, the county or supreme court shall, upon final hearing, make such orders respecting the payment of costs as, in the opinion of said court, are just and equitable. The auditor of accounts shall draw an order for the costs to be paid by the state, upon receipt of a bill thereof signed by the person taxing the same.

Valuation by Probate Court.

1904, No. 30, § 17.

SEC. 838. Determination upon application; notice. The probate court having jurisdiction of an estate may, at any time, or upon the application of the commissioner of state taxes or a legatee, heir, administrator, executor or trustee of such estate,

determine, so far as possible, the value of all legacies and distributive shares passing to persons who are liable to the tax imposed by this chapter, and the amount of taxes due therefrom. Notice of such application and of the time and place of the hearing shall be given in the same manner as in case of the settlement of accounts by administrators and executors.

SEC. 839. Notice as to findings and decrees. Said probate court shall notify the commissioner of state taxes in writing, upon blanks to be furnished by him for that purpose, of its findings and decrees respecting the matter specified in the preceding section, and the date on which such decree was made. 1904, No. 30, § 18.

SEC. 840. How determined. The value of a legacy or distributive share mentioned in section eight hundred and twenty-two, except as otherwise provided in this chapter, shall be its actual market value in money at the expiration of one year from the death of the decedent; but if such legacy or share is sooner paid or delivered, the valuation thereof shall be determined as of the date at which the person entitled to the same comes into or is entitled to the possession or the beneficial use thereof. 1904, No. 30, § 19.

SEC. 841. Same. The value of property passing by voluntary conveyance or gift mentioned in section eight hundred and twenty-three, except as otherwise provided in this chapter, shall be its market value in money at the date the person entitled to the same comes into or is entitled to the possession or the beneficial use thereof. 1904, No. 30, § 20.

Valuation by Appraisers.

SEC. 842. Appraisers. Upon the written application signed by the commissioner of state taxes, or by a legatee or heir liable to a tax on account of a legacy or distributive share passing to him in the manner designated in section eight hundred and twenty-two, or by the administrator, executor or trustee of an estate of which such legacy or share is a part, or by the grantee or donee of property passing in the manner designated in section eight hundred and twenty-three, the probate court wherein such estate is being administered or for the district where a part of the property passing in the manner designated in section eight hundred and twenty-three is situated, if no letters of administration have been granted upon the estate of the grantor or donor therein mentioned, or for any district wherein a corporation mentioned in section eight hundred and seventy-six, or a savings bank or trust company or any corporation having securities or assets mentioned in section eight hundred and seventy-eight has its principal place of business in this state, or within which a person holding such assets or securities resides, may, in its discretion, appoint not more than three disinterested persons, to determine, upon hearing or otherwise, the value of all or a part of the real estate or personal property, or of an interest therein, passing to a person liable to a tax imposed by this chapter. 1904, No. 30, § 21.
1896, No. 46, § 8.

SEC. 843. Warrant to appraisers. Said probate court shall issue a warrant to said appraisers and shall therein designate 1904, No. 30, § 22.

what part of such real and personal property, or interest therein, shall be appraised by them, and shall therein fix the time within which such warrant shall be returnable to said court.

1904, No. 30, § 23.
1896, No. 46, § 8.

SEC. 844. **Oath; notice.** Said appraisers shall, before entering upon the performance of their duties, be duly sworn and shall give such notice to the parties as said probate court orders.

1904, No. 30, § 24.

SEC. 845. **Authority.** An appraiser shall have the same authority to compel the attendance of witnesses, and to administer oaths thereto, that judges of probate have.

1904, No. 30, § 25.
1896, No. 46, § 8.

SEC. 846. **Returns; proceedings.** Said appraisers shall make returns of their findings to the probate court within the time mentioned in such warrant; and said probate court may, in its discretion, accept or reject a part or all of such findings. If such report is rejected, the probate court may appoint new appraisers to determine such valuation, or it may determine such valuation upon hearing.

1904, No. 30, § 26.
1896, No. 46, § 8.

SEC. 847. **Fees.** The fees of said appraisers shall be fixed by the probate court and shall be paid by the administrator, executor or trustee of the estate, if the property so appraised is a part or all of an estate in which letters of administration have been granted within this state. In case no letters of administration have been granted, the fees of said appraisers, when fixed as aforesaid, shall be paid by an order drawn by the auditor of accounts.

Valuation by Agreement.

1904, No. 30, § 27.

SEC. 848. **How made.** Whenever it is necessary under the provisions of this chapter to establish the value of property or an interest therein, the commissioner of state taxes may agree upon such valuation with the administrator, executor or trustee of an estate of which such property is a part. This section shall apply to any agreement made with a foreign administrator, executor or trustee.

1904, No. 30, § 28.

SEC. 849. **Agreement to be in writing, when.** In cases where the valuation of a part or all of the property mentioned in the preceding section or of any interest therein has been established by agreement pursuant to the preceding section, the commissioner of state taxes and said administrator, executor or trustee shall cause such agreement to be written, and specify therein the various items of property and the value of each item.

1904, No. 30, § 29.

SEC. 850. **Agreement to be filed where.** One copy of the agreement specified in the preceding section shall be filed in the office of the commissioner of state taxes, one with the state treasurer, and one in the probate court, if any, having jurisdiction of such estate within this state. In case a foreign administrator, executor or trustee is a party to such agreement, one copy thereof shall be delivered to him.

1904, No. 30, § 30.

SEC. 851. **Agreement may be set aside.** The probate court shall have power to affirm or set aside the agreement mentioned in the three preceding sections, in all estates within its jurisdiction; and the state treasurer may, in his discretion, set aside any

such agreed statement of valuation to which a foreign administrator, executor or trustee is a party, if he is satisfied that the interests of the state so require.

SEC. 852. Same. If the agreed statement of valuation here-1904, No. 30, § 31.
inbefore mentioned is set aside for any cause, the value of such property shall be determined as hereinbefore otherwise provided.

Valuation of Life Estate.

SEC. 853. How determined. When it becomes necessary 1904, No. 30, § 32.
for the purpose of computing a tax imposed by this chapter to 1896, No. 46, § 8.
determine the value at the time such tax accrues of an interest in property arising from the bequest or devise of the use or income thereof for the term of an individual life or lives, or involving the contingency of the duration of such life or lives, it shall be determined according to the "American Experience Table of Mortality," with interest at the rate of three and one-half per cent per annum.

SEC. 854. Same. When it becomes necessary for the pur-1904, No. 30, § 33.
pose of computing a tax imposed by this chapter to determine 1896, No. 46, § 8.
the value at the time such tax accrues of an annuity or an interest in property arising from the bequest or devise of the use or income thereof for a term of years or for a period in which the life duration or life contingency is not involved, the value shall be determined by discount tables computed at the rate of three and one-half per cent per annum.

SEC. 855. Duties of probate court. In making the compu-1904, No. 30, § 34.
tation specified in the two preceding sections, the probate court shall determine the amount of such yearly income, whether for life or for a term of years, or the probable average annual value of the use or income of such estate for life or for a term of years.

SEC. 856. Duties of commissioner of state taxes. The 1904, No. 30, § 35.
commissioner of state taxes shall procure suitable tables for the 1896, No. 46, § 8.
purposes of this chapter and may cause the same or a part thereof to be printed in convenient form with proper explanation for the use of the probate courts within this state, and such tables shall be used in computing the value of yearly incomes or life estates mentioned in this chapter. The auditor of accounts shall draw his order to defray the expenses incurred under this section.

Valuation of Remainder.

SEC. 857. How determined. When a person bequeaths or 1904, No. 30, § 36.
devises property, or gives or conveys property in the manner specified in section eight hundred and twenty-three, to or for the use of father, mother, husband, wife, lineal descendant, an adopted child, lineal descendant of an adopted child, the wife or widow of a son, or the husband of a daughter of a decedent, or a town or city for cemetery purposes, or a domestic charitable, educational or religious society or institution having its principal office herein, during life or for a term of years, and the remainder to a collateral heir or to a stranger to the blood, the

REVISION
No. 3/Sec. 3, 1904

See appendix.

value of the prior estate shall, in the manner hereinbefore provided, be deducted from the appraised value of such property; and the person entitled to such remainder shall be liable to the tax imposed by this chapter. Such tax shall become due and payable at the same time that a tax would become due and payable, if the entire property, instead of a remainder therein, had passed to the person receiving such remainder.

Legacy to an Executor.

1904, No. 30, § 37.
1896, No. 46, § 3.

SEC. 858. Liable to tax, when. When a decedent appoints one or more executors or trustees and, in lieu of their compensation, makes a bequest or devise of property to them which would otherwise be liable to a tax imposed by this chapter, or appoints them his residuary legatees, and such bequests, devises or residuary legacies exceed what would be a reasonable compensation for their services, such excess shall be liable to the taxes imposed by this chapter. The probate court having jurisdiction of their accounts shall determine what would have been such reasonable compensation, and the amount of such excess, if any.

Receipts on Payment of Taxes.

1904, No. 30, § 38.
1896, No. 46, § 14.

SEC. 859. State treasurer to issue; filing. The state treasurer shall, upon receiving the amount of a tax under the provisions of this chapter, issue receipts in triplicate to the person paying the tax, who shall forthwith file one copy thereof with the auditor of accounts, one with the commissioner of state taxes and one with the probate court wherein the estate is administered; provided that the person paying such tax upon property passing in any other manner than that described in section eight hundred and twenty-two may retain one copy of such receipt instead of filing the same with the probate court.

Method of Refunding Taxes.

1904, No. 30, § 39.
1896, No. 46, § 9.

SEC. 860. Duties of commissioner of state taxes. Whenever the state treasurer has received money on account of a tax imposed by this chapter in excess of the amount finally fixed by a court having jurisdiction thereof, or in excess of the amount otherwise determined under the provisions of this chapter, the commissioner of state taxes may certify the amount of such excess and the name of the person entitled thereto to the auditor of accounts, who shall thereupon draw an order for such excess, in favor of the person designated in such certificate. Said commissioner shall execute such certificate in quadruplicate and shall deliver one copy thereof to the person entitled to such rebate, file one with the state treasurer and one with the auditor of accounts and retain one for his own files.

Time of Payment of Taxes.

1904, No. 30, § 40.
1896, No. 46, § 4.

SEC. 861. Generally. Taxes imposed by this chapter, unless otherwise provided, shall be payable to the state treasurer on or

before the expiration of two years from the date of the death of the decedent.

SEC. 862. **On legacies or distributive shares.** When legacies or distributive shares are delivered or paid within such two years to a legatee or heir, the taxes due on account of such legacies or shares shall be paid to the state treasurer at the time such legacies or shares are paid or delivered. 1904, No. 30, § 41.
1896, No. 46, § 4.

SEC. 863. **Probate court may extend.** A probate court administering an estate may extend the time within which a tax imposed by this chapter shall be due and payable, whenever the circumstances of the case so require. 1904, No. 30, § 42.
1896, No. 46, § 4.

SEC. 864. **Same.** If, for any reason, said probate court shall, at any time, be unable to determine the value of a part or all of such legacies or shares, or the amount of a part or all of a tax due the state thereon, it shall, from time to time, extend the time within which such taxes shall become due and payable. 1904, No. 30, § 43.

SEC. 865. **Same.** Whenever the probate court extends the time for assessment and payment of a tax imposed by this chapter, it shall make a record thereof and shall forthwith file with the commissioner of state taxes a statement showing the date to which such extension is made and what legacies or shares are thereby affected. 1904, No. 30, § 44.
1896, No. 46, § 4.

SEC. 866. **On transfers.** Taxes due under the provisions of section eight hundred and twenty-three shall be payable on or before the expiration of three months from the date of the death of the grantor or donor therein mentioned, unless the grantee or donee sooner enters into possession of the property acquired in the manner therein mentioned; in which case, the tax shall thereupon become payable. 1904, No. 30, § 45.

Inventory of Property.

SEC. 867. **Duty of grantee or donee.** A person who as grantee or donee comes into the possession or enjoyment of property in the manner specified in section eight hundred and twenty-three shall forthwith file with the commissioner of state taxes a just and true inventory under oath of all such property, giving a description of the property included in such conveyances, deeds and gifts. 1904, No. 30, § 46.

SEC. 868. **Penalty.** A person who neglects or refuses to file the inventory provided in the preceding section shall be subject to a penalty of not more than ten per cent nor less than five per cent of the value of the property which so comes into his possession or enjoyment, to be recovered in an action on this statute brought in the name of the state by the commissioner of state taxes. 1904, No. 30, § 47.
1896, No. 46, § 15.

Interest on Taxes.

SEC. 869. **When.** Taxes not paid to the state treasurer when due under the provisions of this chapter, unless the time for payment thereof has been extended by the probate court pursuant to the provisions of this chapter, shall bear interest from 1904, No. 30, § 48.
1896, No. 46, § 15.

the date at which the same become payable until the same are paid.

Reports to Commissioner of State Taxes.

1904, No. 30, § 49.
1896, No. 46, § 11.

SEC. 870. Duties of register of probate. In estates wherein property may be decreed to a legatee or heir liable to a tax imposed by this chapter, the register of the probate court having jurisdiction thereof shall, at the time of granting letters of administration therein, upon blanks to be furnished by the commissioner of state taxes, report the name of the decedent, the date of his death, the name and address of the administrator or executor, and the relationship, if any, and the names of all known legatees or heirs liable to the taxes imposed by this chapter.

1904, No. 30, § 50.
1896, No. 46, § 11.

SEC. 871. Same. Whenever the probate court fixes a date for the determination of the amount due to the state on account of a tax imposed by this chapter, or for the determination of the value of a legacy or share passing to a legatee or heir liable to such tax, or for the determination of any matter pertaining to a tax imposed by this chapter, the register of probate shall, upon blanks furnished for that purpose by the commissioner of state taxes, forthwith mail to said commissioner a statement showing the name of the estate, the date of such hearing, the nature thereof, whether or not the property out of which such legacy or share is to be decreed is in money or its equivalent, and, if in other property, a brief description thereof as shown by the files of said court. If such hearing is continued, notice thereof shall be given in person or by mail to said commissioner.

Estates Not Administered Upon.

1904, No. 30, § 51.
1896, No. 46, § 13.

SEC. 872. Administrator, how appointed. If, upon the decease of a person leaving an estate passing in whole or in part to legatees or heirs liable to the taxes imposed by this chapter, no will disposing of such estate is offered for probate within the time prescribed by law and no application for administration is made within four months from the date of such decease, the commissioner of state taxes shall apply to the probate court for the appointment of an administrator of such estate.

1904, No. 30, § 52.
1896, No. 46, § 13.

SEC. 873. Duties of probate court. A judge or register of probate shall forthwith notify the commissioner of state taxes, upon blanks to be furnished by him, of estates mentioned in the preceding section, known to them or either of them, in which no will or application for administration is presented within the time specified.

Certified Copies of Wills and Inventories.

1904, No. 30, § 53.

SEC. 874. To be furnished commissioner of state taxes. An administrator, executor, trustee or other legal representative of a decedent, appointed by a probate court within this state or by a foreign court or government, shall, when required in writing by the commissioner of state taxes, within a reasonable time after receiving such requisition and without expense to the state,

furnish said commissioner a certified copy of any part or all of any record, or of the will, inventory or other document required to be filed in the court wherein the estate of which he is such administrator, executor, trustee or legal representative is being administered.

SEC. 875. Failure to furnish; penalty, etc. An administrator, executor, trustee or legal representative mentioned in the preceding section, appointed by a probate court in this state, shall forfeit to the state five dollars for each day's neglect or refusal to provide the certified copies therein specified, within a reasonable time after receiving requisition therefor; and if a foreign administrator, executor, trustee or legal representative neglects or refuses to furnish the copies therein required, no certificate shall be given by the commissioner of state taxes under the provisions of section eight hundred and eighty-two, until such certified copies are furnished and a reasonable time has thereafter elapsed.

Transfer of Stocks and Bonds.

SEC. 876. Assessment. If a foreign administrator, executor or trustee assigns or transfers any stock or obligation in a domestic corporation, or in a foreign corporation having its principal place of business located in this state, or in a national bank located in this state, owned by a deceased non-resident at the time of his death and passing by will or the laws of descent of the state or government wherein such administrator, executor or trustee receives his appointment, to or for the use of any person other than the father, mother, husband, wife, lineal descendant, adopted child, lineal descendant of an adopted child, the wife or widow of a son, the husband of a daughter of a decedent, or a town or city for cemetery purposes, or to or for the use of a charitable, educational or religious society or institution other than such as are created and existing under the laws of the state wherein such appointment was made, said administrator, executor or trustee shall pay to the state a tax equal to five per cent of the value in money, at the date of such assignment or transfer, of such part or all of such stocks or obligations so passing by will or the laws of descent; and, if the same is not paid at the date of such assignment or transfer, such administrator, executor or trustee shall be personally liable therefor, until the same is paid. The word "stock" or "obligation," as used in this section, shall be construed to include the proceeds thereof.

SEC. 877. Transfer of stock before payment of tax prohibited. A domestic corporation, or a foreign corporation having its principal place of business in this state, or a national bank located in this state, which records a transfer of a share of its stock or of its obligation, made by a foreign administrator, executor or trustee, or which issues a new certificate for a share of its stock or of the transfer of an obligation aforesaid at the instance of a foreign administrator, executor or trustee, before the taxes imposed by the preceding section are paid, shall be liable

A M E N D E D
No. 55 sec. 2, 1910
See appendix.

for such tax in an action upon this statute brought in the name of the state by the commissioner of state taxes.

Transfer of Securities or Assets.

1904, No. 30, § 57.

SEC. 878. Assessment. If a foreign administrator, executor or trustee of a non-resident decedent, or a legatee or heir of such decedent, or an assignee of such administrator, executor, trustee, legatee or heir, collects, receives or assigns securities or assets, being in this state at the time of the death of such non-resident decedent and belonging to him at his decease, which shall pass in whole or in part by will or the laws of descent of the state or government wherein such foreign administrator, executor or trustee has received his appointment, to or for the use of any person other than the father, mother, husband, wife, lineal descendant, adopted child, lineal descendant of an adopted child, the wife or widow of a son, the husband of a daughter of a decedent, or a town or city for cemetery purposes, or to or for the use of a charitable, educational or religious society or institution other than such as are created and existing under the laws of the state wherein such appointment was made, such foreign administrator, executor or trustee, the assignee of all such securities or assets, or any legatee or heir of such non-resident decedent, shall pay to the state a tax equal to five per cent of the value in money, at the date of the delivery, collection or assignment of such part or all of such securities or assets so passing by will or the laws of descent; and, if the same is not paid at the date of such delivery, collection or assignment, such administrator, executor, trustee, assignee, legatee or heir shall be personally liable therefor, until the same is paid.

1904, No. 30, § 58.

SEC. 879. Notice of time and place of delivery. The securities or assets mentioned in the preceding section shall not be delivered or transferred by a person or corporation to a foreign administrator, executor or trustee of a non-resident decedent, nor to a legatee or heir of such decedent, nor to an assignee of such administrator, executor, trustee, legatee or heir, unless notice in writing of the time and place of such intended delivery or transfer is delivered in person or sent by registered mail prepaid to the commissioner of state taxes, at least fifteen days before the time of such intended delivery or transfer. Said commissioner, or a person designated by him in writing, may examine such securities or assets at the time and place of such delivery.

1904, No. 30, § 59.

SEC. 880. Failure to give notice; liability. Failure to mail or deliver such notice as provided in the preceding section shall render the person or corporation required to report such delivery or transfer liable in an action upon this statute, brought in the name of the state by the commissioner of state taxes, for all taxes imposed by the second preceding section.

1904, No. 30, § 60.

SEC. 881. Deposits not to be paid or transferred before payment of tax. No savings bank, savings institution, trust company or savings bank and trust company shall pay a part or all of a deposit, or any interest or dividend thereon, to an admin-

AMENDED
No. 55 sec. 3, 1910
See appendix.

AMENDED
No. 55 sec. 4, 1910
See appendix.

istrator or executor, under the provisions of section four thousand six hundred and thirty-seven, nor transfer the same to the account of any person upon its records, unless the certificate mentioned in the following section has been delivered thereto.

SEC. 882. Waiver of liability. A certificate signed by the commissioner of state taxes certifying that an administrator, executor, trustee, legatee, heir or assignee is not liable to the taxes imposed by sections eight hundred and seventy-six and eight hundred and seventy-eight, or certifying that such taxes are paid, shall operate as a waiver or discharge of all liability to the state on the part of any person or corporation mentioned in the six preceding sections. R. 1906, § 61.
1904, No. 30, § 61.

Reports by Savings Banks and Trust Companies.

SEC. 883. Notice of death of non-resident depositor, etc. R. 1906, § 797.
1904, No. 30, § 62. A savings bank, savings institution, trust company, or savings bank and trust company shall notify the commissioner of state taxes, upon blanks to be furnished by him, of the decease of any non-resident depositor and the name and residence of any foreign administrator, executor or trustee as soon as the same is known thereto.

SEC. 884. Payment of an account prohibited without consent of commissioner of state taxes. R. 1906, § 798.
1904, No. 30, § 63. If a savings bank, savings institution, trust company, or savings bank and trust company has notice of the death of a depositor residing within this state at the time of his decease, or has reasonable grounds for believing him to be dead, it shall not, without the consent in writing of the commissioner of state taxes, pay or transfer upon its records a part or all of a deposit or account standing in the name of such decedent, for which an order, assignment or other instrument in writing signed by such decedent has been given, other than checks given in the ordinary course of business. Notice in writing shall be forthwith given by such corporation to said commissioner, setting forth the character of such order, assignment or other instrument, and the name and residence of the payee or assignee therein named.

SEC. 885. Liability. 1904, No. 30, § 64. A savings bank, savings institution, trust company, or savings bank and trust company, that wilfully violates a provision of the first, second and fourth preceding sections, shall be liable to the state, in an action on this statute, brought in the name of the state by the commissioner of state taxes, for all taxes imposed by sections eight hundred and seventy-six and eight hundred and seventy-eight upon a person liable to the same. But no such action shall be commenced without the consent of the governor.

Equity Proceedings.

SEC. 886. Commissioner may institute. 1904, No. 30, § 65. Whenever the commissioner of state taxes claims that a tax is due on account of a transfer of property in the manner described in section

eight hundred and twenty-three, eight hundred and seventy-six, eight hundred and seventy-eight or eight hundred and eighty-four, he may, in the name of the state, petition the court of chancery in any county to determine the amount of any or all taxes due, as provided in such sections, and to establish such taxes as a lien upon the property passing or being transferred in the manner therein mentioned.

1904, No. 30, § 67.

SEC. 887. Service, how made. Service of the petition mentioned in the preceding section may be made in the manner provided by law; and service thereof upon a foreign administrator, executor, trustee, legatee or assignee may be made by delivering a copy of such petition to the custodian of the property in this state therein named.

1904, No. 30, § 66.

SEC. 888. Proceedings. A court of chancery or a chancellor shall, subject to the right of appeal to the supreme court, hear and determine such cause at a stated term of said court or during vacation, and may grant temporary and permanent injunctions restraining any or all persons or corporations mentioned in the sections named in the second preceding section, from making any transfer or other disposition of the property named therein, until all taxes imposed by this chapter and found to be due on account of the passing of such property in the manner therein mentioned are paid, and shall make all necessary orders and decrees to carry out the provisions of this chapter.

Bonds and Recognizances.

1904, No. 30, § 68.

SEC. 889. State not required to give. In cases or appeals involving questions arising under the provisions of this chapter, the state shall not be required to give a bond or recognizance for costs or for an appeal, nor an injunction bond.

Proceedings in Probate Court.

1904, No. 30, § 69.

SEC. 890. Jurisdiction and powers. A probate court, upon application of the commissioner of state taxes, may summon and examine, upon oath, respecting any matter pertaining to a tax or penalty imposed by this chapter, an officer, stockholder, member or agent of a corporation mentioned in section eight hundred and seventy-six, eight hundred and eighty-one, eight hundred and eighty-three or eight hundred and eighty-four, or of any corporation or banking institution having its principal place of business in the probate district wherein such probate court has jurisdiction; a custodian of the securities or assets, or the proceeds thereof, mentioned in section eight hundred and seventy-eight, residing or having its principal place of business in such probate district; an administrator, executor, trustee, legatee, heir or assignee mentioned in the last named section, entitled to receive or who has received any part or all of such securities or assets, or the proceeds thereof, held by such custodian; a member or officer of a society or institution, and a person entitled to receive or who has received a part or all of such securities, assets or proceeds thereof mentioned in section eight hundred and

seventy-eight from a custodian thereof residing or having its principal place of business in such probate district, or who is entitled to receive or has received, by assignment or otherwise, a part or all of a deposit mentioned in section eight hundred and eighty-one or eight hundred and eighty-four, from a banking institution having its principal place of business in such probate district; and the grantee or donee of property, or an interest therein, passing in the manner set forth in section eight hundred and twenty-three, within such probate district.

SEC. 891. Summons to witnesses. If a probate court has issued a summons for a person mentioned in the preceding section, or has examined a person therein named concerning any matter pertaining to a tax or penalty imposed by this chapter, said court shall thereupon have jurisdiction to summon and so examine any and all persons therein named, notwithstanding the residence of such person, the location of the principal place of business of a corporation specified in the preceding section, or the location of property therein specified, is in some town or city without the probate district within which said court has original jurisdiction to issue such summons and conduct such examination. 1904, No. 30, § 70.

SEC. 892. Issuance of letters of administration. If, upon the examination specified in the two preceding sections, the probate court wherein such examination is had, determines that, in order to aid in the collection of a tax imposed by this chapter, an administrator should be appointed to administer upon the estate whereof property within its original jurisdiction, passing to a person liable to a tax imposed by this chapter, is the whole or a part, said probate court shall take jurisdiction of such estate and shall thereupon issue letters of administration. 1904, No. 30, § 71.

SEC. 893. Same; proceedings. Whenever letters of administration are issued upon an estate mentioned in the preceding section, the probate court issuing such letters shall have jurisdiction of all property within this state belonging thereto. The same proceedings shall be had in such estate as provided by law for the settlement of an estate wherein no will is probated. 1904, No. 30, § 72.

SEC. 894. Production of books, records and documents. The probate court shall have authority to require, by summons or otherwise, the production of books of account, records or documents kept or possessed by a corporation or person mentioned in the third and fourth preceding sections, concerning matters as to which information shall be required to carry out the provisions of this chapter. 1904, No. 30, § 73.

SEC. 895. Summons, generally. A probate court shall have power to summon a person not hereinbefore specifically mentioned to appear before said court to give evidence therein respecting any matter or thing hereinbefore mentioned which shall be the subject of investigation; and said court may also require such person to produce in court any book of account, record or document pertinent to such investigation. 1904, No. 30, § 74.

SEC. 896. Witness fees. Persons except those liable to pay a tax imposed by this chapter shall be allowed the same per R. 1906, § 810.
1904, No. 30, § 75.

diem and travel fees as witnesses in county court, to be paid by the state on the certificate of the commissioner of state taxes.

1904, No. 30, § 76.

SEC. 897. Penalty. A person or officer designated in section eight hundred and ninety, eight hundred and ninety-one or eight hundred and ninety-five who refuses or neglects to appear before the probate court in obedience to the summons therein mentioned, or refuses to be sworn as hereinbefore provided, or neglects or refuses to produce the books, records or documents mentioned in sections eight hundred and ninety-four and eight hundred and ninety-five, or refuses to testify concerning any matter respecting which he shall be lawfully examined, shall be fined not more than five thousand dollars nor less than five hundred dollars.

Reports by Listers.

1904, No. 30, § 77.

SEC. 898. How made. Listers in the several towns shall annually, within ten days after the date on which the grand list is required by law to be filed by them with the town clerk, report to the commissioner of state taxes, upon blanks to be furnished by him, the names of persons who acquired, within the year ending with the first day of April in the year in which such report is made, real or personal estate situate in such town, or an interest therein, passing from a deceased person by the laws of descent or in the manner specified in section eight hundred and twenty-three.

Miscellaneous.

1904, No. 30, § 79.

SEC. 899. False swearing. A person who wilfully swears falsely to a return, report or statement, or upon an examination hereinbefore mentioned, shall be guilty of perjury.

1904, No. 30, § 81.

SEC. 900. Application of chapter. The foregoing sections of this chapter, in so far as they pertain to a tax imposed upon a person, corporation, society or institution that shall, in any manner hereinbefore provided, receive property or any interest therein passing from a deceased person, shall also apply to the estates of all persons who deceased prior to December ninth, nineteen hundred and four, but whose estates were not then decreed or distributed; but if any part of such an estate has been lawfully paid or decreed prior to such date, such part shall not be affected by this chapter; nor shall this chapter apply to an act done prior to such date for which a penalty is hereinbefore provided.

1904, No. 30, §§ 82,
85.

SEC. 901. Exception. This chapter shall not, except as otherwise provided, affect the liability of any person, corporation, society or institution to pay taxes already accrued under the provisions of number forty-six of the acts of eighteen hundred and ninety-six, nor any proceedings affecting the same.

APPENDIX.

NUMBER 31 ACTS OF 1908.

AN ACT IN AMENDMENT OF AND IN ADDITION TO CHAPTER 38 OF THE PUBLIC STATUTES, RELATING TO INHERITANCE TAXES AND TAXABLE TRANSFERS.

*It is hereby enacted by the General Assembly of the
State of Vermont:*

SECTION 1. Section 822 of the Public Statutes is hereby amended so as to read as follows:

SECTION 822. Every person other than the father, mother, husband, wife, lineal descendant, stepchild, adopted child, child of a stepchild or of an adopted child, the wife or widow of a son, the husband of a daughter of a decedent, a bishop in his ecclesiastical capacity for religious uses within this state, or a city or town for cemetery purposes; and every charitable, educational or religious society or institution other than one created and existing under and by virtue of the laws of this state and having its principal office herein, that shall receive in trust or otherwise a legacy or distributive share consisting of or arising from property or an interest therein passing by will, the law of descent or the decree of a court in this state, from a deceased person who owned such property at the date of his decease, shall, except as otherwise provided in this chapter, pay to the state a tax of five percent of the value in money of such legacy or distributive share.

SEC. 2. Section 824 of the Public Statutes is hereby amended so as to read as follows:

Section 824. If a transfer or other similar tax has been lawfully paid to another state or to a government other than the United States, for or on account of an assignment or transfer of stocks, obligations, securities or other evidences of indebtedness, or for or on account of the collection, delivery or assignment of securities, deposits or other assets, and such stocks, obligations, securities, other evidences of indebtedness, deposits or assets, or the proceeds thereof, shall in whole or in part be included in any legacy or distributive share decreed subsequent to the ninth day of December, 1904, by a probate court of this state to a legatee or heir liable to the tax imposed by section eight hundred twenty-two, such legatee or heir shall be liable to pay to this state under the provisions of said section only such part of the tax therein imposed as will make the entire tax both within and without this state, based on such portion of a legacy or distributive share taxed in such other state or government, equal to five percent of the total value thereof, to be determined as provided in this chapter.

SEC. 3. Section 857 of the Public Statutes is hereby amended so as to read as follows:

Section 857. Whenever a person bequeaths or devises the use of property for the term of a natural life

A M E N D E D

No. 31 Dec. / 1910

See Appendix

or lives, or for a term of years, or gives or conveys such use in the manner provided in section eight hundred twenty-three, to or for the use of any person, society, institution or corporation exempt from the payment of a tax imposed by this chapter, and bequeaths, devises, gives or conveys the remainder to a person, society, institution or corporation subject to the taxes hereinbefore imposed, the value of the prior estate shall, in the manner hereinbefore provided, be deducted from the appraised value of such property; and the person entitled to such remainder shall be liable to the tax imposed by this chapter. Such tax shall become due and payable at the same time that a tax would become due and payable, if the entire property, instead of a remainder therein, had passed to the person receiving such remainder.

SEC. 4. In determining the amount of any tax imposed by sections 876 and 878 of the Public Statutes, no deductions on account of debts or expenses of administration shall be made except such debts or expenses have been allowed by the probate, surrogate or other court having original jurisdiction of said estate.

SEC. 5. This act shall take effect from its passage.
Approved January 28, 1909.

NUMBER 55 ACTS OF 1910.

AN ACT IN AMENDMENT OF AND IN ADDITION TO CHAPTER 38 OF THE PUBLIC STATUTES AS AMENDED BY NO. 31, ACTS OF 1908, RELATING TO INHERITANCE TAXES AND TAXABLE TRANSFERS.

It is hereby enacted by the General Assembly of the State of Vermont:

SECTION 1. Section 822 of the Public Statutes as amended by section 1, No. 31, acts of 1908, is hereby amended so as to read as follows:

SEC. 822. Every person other than the father, mother, husband, wife, lineal descendant, the wife or widow of a son, the husband of a daughter, a stepchild, a child adopted as such during his minority in conformity with the laws of this state, a child of a stepchild or of such adopted child, a bishop in his ecclesiastical capacity for religious uses within this state, or a city or town for cemetery purposes; and every charitable, educational or religious society or institution other than one created and existing under and by virtue of the laws of this state and having its principal office herein, that shall receive in trust or otherwise a legacy or distributive share consisting of or arising from property or an interest therein passing by will, the law of descent or the decree of a court in this state, from a deceased person who owned such property at the date of his decease, shall, except as otherwise provided in this chapter, pay to the state a tax of five percent of the value in money of such legacy or distributive share.

SEC. 2. Section 876 of the Public Statutes is hereby amended so as to read as follows:

SEC. 876. I. If a foreign administrator, executor or trustee assigns or transfers any stock or obligation in a domestic corporation, or in a foreign corporation having its principal place of business located in this state, or in a national bank located in this state, owned by a deceased non-resident at the time of his death and passing by will or the laws of descent of the state or government wherein such administrator, executor or trustee receives his appointment, to or for the use of any person other than the father, mother, husband, wife, lineal descendant, step-child, child adopted as aforesaid, child of a step-child or of such adopted child, the wife or widow of a son, the husband of a daughter, a bishop in his ecclesiastical capacity for religious uses within this state, a town or city in this state for cemetery purposes, or to or for the use of a charitable, educational or religious society or institution created and existing under the laws of this state, such administrator, executor or trustee shall pay to the state a tax equal to five percent of the value in money, at the date of such assignment or transfer, of such part or all of such stocks or obligations so passing by will or the laws of descent.

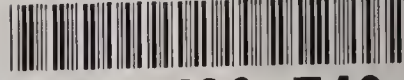
II. If such taxes are not paid on or before the date of such assignment or transfer, they shall be a lien on such stock or obligation until the same are paid.

III. In determining the amount of any tax imposed by this section, no deductions on account of debts or expenses of administration shall be made unless such debts or expenses have been allowed by the probate, surrogate or other court having original jurisdiction of said estate.

IV. The words "stock" and "obligation," as used in this section, shall be construed to include the proceeds thereof.

SEC. 3. Section 878 of the Public Statutes is hereby amended so as to read as follows:

SEC. 878. I. If a foreign administrator, executor or trustee of a non-resident decedent, or a legatee or heir of such decedent, or an assignee of such administrator, executor, trustee, legatee or heir, collects, receives or assigns securities or assets, being in this state at the time of the death of such non-resident decedent and belonging to him at his decease, which shall pass in whole or in part by will or the laws of descent of the state or government wherein such foreign administrator, executor or trustee has received his appointment, to or for the use of any person other than the father, mother, husband, wife, lineal descendant, stepchild, child adopted as aforesaid, child of a stepchild or of such adopted child, the wife or widow of a son, the husband of a daughter, a bishop in his ecclesiastical capacity for religious uses within this state, or a town or city in this state for cemetery purposes, or to or for the use of a charitable, educational or religious society or institution created and existing under the laws of this state, such foreign administrator, executor or trustee, the assignee of such securities or assets, or any legatee or heir of such non-resident decedent, shall pay to the state a tax equal



to five percent of the value in money, at the date of the delivery, collection or assignment of such part or all of such securities or assets so passing by will or the laws of descent.

II. If such taxes are not paid on or before the date of such delivery, collection or assignment, they shall be a lien on such securities or assets until such taxes are paid.

III. In determining the amount of any tax imposed by this section, no deductions on account of debts or expenses of administration shall be made, unless such debts or expenses have been allowed by the probate, surrogate or other court having original jurisdiction of said estate.

SEC. 4. Section 879 of the Public Statutes is hereby amended so as to read as follows:

SEC. 879. The securities or assets mentioned in the preceding section shall not be delivered or transferred by a person or corporation to a foreign administrator, executor or trustee of a non-resident decedent, nor to a legatee or heir of such decedent, nor to an assignee of such administrator, executor, trustee, legatee or heir, before the taxes, if any, imposed by the preceding section are paid, or the certificate mentioned in section eight hundred eighty-two is issued by said commissioner. Said commissioner, or person designated by him in writing, may at all reasonable times examine such securities or assets.

SEC. 5. This act shall take effect from its passage.
Approved January 28, 1911.

NUMBER 56 ACTS OF 1910.

AN ACT TO AMEND SECTION 833 OF THE PUBLIC STATUTES, RELATING TO INHERITANCE TAXES.

It is hereby enacted by the General Assembly of the State of Vermont:

SECTION 1. Section 833 of the Public Statutes is hereby amended so as to read as follows:

SEC. 833. 1. The probate court having either principal or ancillary jurisdiction of the settlement of the estate of a decedent shall, except as otherwise provided in this chapter, hear and determine all questions relating to the taxes hereby imposed and the value of all legacies and distributive shares upon which such taxes are computed.

2. In case it shall be made to appear to a probate court that the amount of a tax heretofore or hereafter fixed by it is less than or in excess of the amount imposed by the provisions of this chapter, it may in its discretion upon application of said commissioner or of the administrator or executor of the estate making such payment, and upon reasonable notice in writing thereto, determine the amount which should have been thus imposed and accordingly modify or amend its decree theretofore made.

SEC. 2. This act shall take effect from its passage.
Approved January 27, 1911.